



House of Representatives

File No. 885

General Assembly

January Session, 2007

(Reprint of File No. 703)

Substitute House Bill No. 6949
As Amended by House Amendment
Schedule "A"

Approved by the Legislative Commissioner
May 29, 2007

**AN ACT CONCERNING THE ADMINISTRATION OF THE SOLDIERS,
SAILORS AND MARINES FUND AND SERVICE BONUSES FOR
CERTAIN MEMBERS OF THE CONNECTICUT NATIONAL GUARD ON
ACTIVE SERVICE WITH THE ARMED FORCES.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 27-61a of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2007*):

3 (a) As used in this section, "eligible member or veteran" means a
4 member or former member of the Connecticut National Guard who (1)
5 is or was called to active service on or after September 11, 2001, (2) is or
6 was in such active service for at least ninety consecutive days, [(3)
7 during such active service, is or was deployed to an area designated as
8 a combat zone by the President of the United States, and (4)] and (3) if
9 discharged, is or was honorably discharged or discharged for injuries
10 sustained in the line of duty.

11 (b) (1) On and after July 1, 2005, the Adjutant General shall pay each
12 eligible member or veteran the amount of fifty dollars for each month

13 or major part thereof of active service by such eligible member or
14 veteran on or after September 11, 2001. [The] On and before June 30,
15 2007, the maximum payment to any eligible member or veteran shall
16 not exceed five hundred dollars. [No payment shall be made to any
17 eligible member or veteran who makes application for such payment
18 later than three years after the date of the cessation of such operations
19 in which such member or veteran served.]

20 (2) On and after July 1, 2007, the maximum payment to any eligible
21 member or veteran under this subsection shall not exceed five hundred
22 dollars, except that such maximum payment shall not exceed one
23 thousand two hundred dollars if, during such active service, such
24 eligible member or veteran is or was deployed to an area designated as
25 a combat zone by the President of the United States.

26 (3) No payment shall be made under this subsection to any eligible
27 member or veteran who makes application for such payment later than
28 three years after the date of the cessation of such operations in which
29 such member or veteran served.

30 (c) The Adjutant General, in consultation with the Commissioner of
31 Veterans' Affairs, shall adopt regulations, in accordance with the
32 provisions of chapter 54, to implement the provisions of this section.
33 Such regulations shall include procedures for verification of eligibility
34 of an eligible member or veteran and for the application for and
35 payment of the amounts specified in this section.

36 Sec. 2. Section 27-138 of the general statutes is repealed and the
37 following is substituted in lieu thereof (*Effective from passage*):

38 The Soldiers, Sailors and Marines Fund shall remain as established
39 and shall be in the custody of the Treasurer as trustee of [said] the fund
40 and shall be administered by the treasurer of the American Legion.
41 The Treasurer shall [administer said] invest the fund [as required by
42 the provisions of this chapter,] and shall reinvest as much of [said] the
43 fund as is not required for current disbursement in accordance with
44 the provisions of part I of chapter 32. The interest accumulations of the

45 fund so held in trust or so much thereof as is found necessary to carry
46 out the purposes hereinafter stated shall be paid, upon the order of the
47 Comptroller, upon such statements as [he] the Comptroller may
48 require, to the treasurer of the American Legion, who shall disburse
49 the same, and the balance of said accumulations, except for a reserve of
50 one hundred thousand dollars held in custody of the trustee for
51 contingent purposes, shall at the end of each fiscal year be added to the
52 principal of the fund. If the interest accumulations of the fund,
53 together with available appropriations, if any, of other funds, are
54 insufficient to carry out the purposes of this part, the Finance Advisory
55 Committee, upon recommendation of the Governor, shall make
56 appropriations therefor from the state General Fund, limited, however,
57 for any fiscal year to amounts which, together with said interest
58 accumulations for such year, shall not exceed the annual interest on
59 thirty-five million dollars at the average rate of the investment yield
60 earned during the preceding fiscal year on the Soldiers, Sailors and
61 Marines Fund, provided, in case of disaster constituting an emergency,
62 as declared by the Governor, the Finance Advisory Committee may
63 make additional appropriations to [said] the fund without regard to
64 such limitation. Payments to the treasurer of the American Legion
65 shall be made at such definite and stated periods as are necessary to
66 meet the convenience of the American Legion and said trustee; but
67 each payment shall be made upon the order of the treasurer of the
68 American Legion, approved by at least two of its executive officers or
69 of a special committee thereof thereunto specially authorized. No part
70 of the interest accumulation of [said] the fund shall be expended for
71 the purpose of maintaining the American Legion.

72 Sec. 3. Section 27-138a of the general statutes is repealed and the
73 following is substituted in lieu thereof (*Effective from passage*):

74 The [trustee] treasurer of the American Legion as administrator of
75 the Soldiers, Sailors and Marines Fund [shall] may make available at
76 each town clerk's office a copy of the regulations of [said] the fund and
77 applications for aid from [said] the fund.

78 Sec. 4. Section 27-140 of the general statutes is repealed and the
79 following is substituted in lieu thereof (*Effective from passage*):

80 All money so paid to and received by the American Legion shall be
81 expended by it in furnishing food, wearing apparel, medical or
82 surgical aid or care or relief to, or in bearing the funeral expenses of,
83 soldiers, sailors or marines who performed service in time of war, as
84 defined in subsection (a) of section 27-103, in any branch of the
85 military service of the United States, including the Connecticut
86 National Guard, or who were engaged in any of the wars waged by the
87 United States during said periods in the forces of any government
88 associated with the United States, who have been honorably
89 discharged therefrom or honorably released from active service
90 therein, and who were citizens or resident aliens of the state at the time
91 of entering said armed forces of the United States, including the
92 Connecticut National Guard, or of any such government, or to their
93 spouses who are living with them, or to their widows or widowers
94 who were living with them at the time of death, or dependent children
95 under eighteen years of age, who may be in need of the same. All such
96 payments shall be made by the American Legion under authority of its
97 bylaws, which bylaws shall set forth the procedure for proof of
98 eligibility for such aid, [and shall be approved by the trustee,]
99 provided payments made for the care and treatment of any person
100 entitled to the benefits provided for herein, at any hospital receiving
101 aid from the General Assembly unless special care and treatment are
102 required, shall be in accordance with the provisions of section 17b-239,
103 and provided the sum expended for the care or treatment of such
104 person at any other place than a state-aided hospital shall in no case
105 exceed the actual cost of supporting such person at the Veterans'
106 Home, unless special care and treatment are required, when such sum
107 as may be determined by the treasurer of such organization may be
108 paid therefor. The treasurer of such organization shall account to [said
109 trustee] the Governor and the General Assembly during the months of
110 January, April, July and October for all moneys disbursed by it during
111 the three months next preceding the first day of either of said months,

112 and such account shall show the amount of and the name and address
113 of each person to whom such aid has been furnished. Upon the
114 completion of the trust provided for in section 27-138, as amended by
115 this act, the principal fund [so held by said trustee] shall revert to the
116 State Treasury.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2007</i>	27-61a
Sec. 2	<i>from passage</i>	27-138
Sec. 3	<i>from passage</i>	27-138a
Sec. 4	<i>from passage</i>	27-140

Section 1	<i>July 1, 2007</i>	27-61a
Sec. 2	<i>from passage</i>	27-138
Sec. 3	<i>from passage</i>	27-138a
Sec. 4	<i>from passage</i>	27-140

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 08 \$	FY 09 \$
Military Dept.	GF - Cost	See Below	See Below
Soldiers, Sailors & Marines' Fund	SS&MF - None	None	None
Office of the State Treasurer	GF - None	None	None

Note: GF=General Fund; SS&MF=Soldiers, Sailors and Marines' Fund

Municipal Impact: None

Explanation

The bill increases the amount of bonus money members of the Armed Forces serving in an area designated to be a combat zone can receive, from \$500 to \$1,200. It is projected, in FY 07, that the Military Department will expend \$275,000 on veteran bonuses. Of the \$860,700 the Military Department carried forward into FY 07, \$821,400 currently remains in the Veteran's Service Bonuses account. It is anticipated that there will be a remaining balance of \$546,400 to be carried forward to FY 08. Additionally, the \$500,000 appropriated in FY 07 will remain unspent to be carried forward to FY 08. The total amount to be carried forward to FY 08 is estimated to be \$1.05 million. It is anticipated that the carryforward funds will be sufficient to support the provisions in the bill, and no additional funds will be required.

The bill also clarifies the role of the State Treasurer as Trustee and the American Legion as administrator of the Soldiers, Sailors and Marines' Fund (SSMF), and makes other technical changes that will result in no fiscal impact.

House "A" makes the clarifying and technical changes to the SSMF as referenced above.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation.

OLR Bill Analysis**sHB 6949 (as amended by House "A")******AN ACT CONCERNING A SERVICE BONUS FOR CERTAIN MEMBERS OF THE CONNECTICUT NATIONAL GUARD ON ACTIVE SERVICE WITH THE ARMED FORCES.*****SUMMARY:**

This bill increases service bonus payments to Connecticut National Guard members who serve in combat zones and establishes bonuses for guard members' active service outside of such zones.

The bill transfers the administration of the Soldiers, Sailors, and Marines Fund to the American Legion from the state treasurer and makes related changes.

The bill also makes conforming and technical changes.

*House Amendment "A" adds the provision on the Soldiers, Sailors and Marines Fund.

EFFECTIVE DATE: Upon passage for the fund; July 1, 2007 for the bonus

Service Bonus

Under current law, current or former guard members called to active service on or after September 11, 2001 are entitled to a service bonus. The bonus is \$50 for each month of active service or major part thereof, up to \$500 for such members who (1) are or were in active service for at least 90 consecutive days; (2) while in such service, are or were deployed in a combat zone designated by the president; and (3) if discharged, were honorably discharged or discharged because of a line-of-duty injury.

Beginning July 1, 2007, this bill increases the maximum bonus for these guard members to \$1,200. It establishes a \$500 maximum bonus for otherwise qualified current or former guard members whose active service was not in a combat zone.

By law and the bill, applicants have three years from the end of the operation in which they served to submit bonus requests.

Soldiers, Sailors, and Marines Fund

This bill transfers the administration of the Soldiers, Sailors, and Marines Fund to the American Legion from the state treasurer, who retains custody of the fund and responsibility for investing money left over after the disbursements required by law.

The bill eliminates the requirement that the state treasurer approve the American Legion's bylaws governing fund disbursements. It requires the organization's treasurer to report the disbursements to the governor and the legislature, instead of the state treasurer. The reports are due in January, April, July, and October each year.

Under current law, the state treasurer must give a copy of the fund's regulations and aid applications to each town clerk. The bill instead allows the American Legion's treasurer to make them available.

BACKGROUND

Soldiers, Sailors, and Marines Fund

This fund provides benefits such as food, clothing, medical, surgical, and funeral assistance to needy wartime veterans honorably discharged from active service in the U. S. military service (i.e. , U.S. Armed Forces), their spouses living with them or who lived with them when they died, and dependent children.

COMMITTEE ACTION

Select Committee on Veterans' Affairs

Joint Favorable Substitute Change of Reference

Yea 9 Nay 0 (03/01/2007)

Appropriations Committee

Joint Favorable

Yea 48 Nay 0 (04/19/2007)